

SURETY ESTIMATE UPDATE

International Uranium (USA) Corporation

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FILE # -- M/-37/043

San Juan County

Prepared by Utah Division of Oil, Gas & Mining

Last Update

5/12/1997

DESCRIPTION:

-Previous reclamation surety estimate was \$177,500 in year 2002 dollars

-Reclamation Estimate base amount calculated in 1983-\$

-Original bond calculation remains unchanged except for the addition of reclamation supervision costs and the cost for the mobilization/demobilization of equipment to be used during reclamation.

-New maps of the area were generated for this bond escalation update.

- Acreage figures were adjusted as a result of this mapping effort.

-Escalation factors through 2004 are actual Means Historical Cost Indices

-Total disturbed area = 35 ACRES

CALCULATIONS $F = P(1 + i)^{**n}$	YR	ESCAL FACTOR	BOND AMOUNT
	1982	0.0940	\$0
	*** 1983	0.0104	\$118,978
	1984	0.0092	\$120,073
	1985	0.0290	\$123,555
	1986	0.0210	\$126,149
	1987	0.0195	\$128,609
	1988	0.0181	\$130,937
	1989	0.0177	\$133,255
	1990	0.0077	\$134,281
	1991	0.0127	\$135,986
	1992	0.0221	\$138,991
	1993	0.0261	\$142,619
	1994	0.0321	\$147,197
	1995	0.0193	\$150,038
F = Future Sum	1996	0.0242	\$153,669
P = Present Sum	1997	0.0236	\$157,296
i = Escalation Factor	1998	0.0502	\$165,192
n = number of periods	1999	0.0191	\$168,347
	2000	0.0244	\$172,455
Three Yr Average = 4.44%	2001	0.0421	\$179,715
Used to Project 5 Yrs	2002	0.0202	\$183,345
From the Year 2004	2003	0.0155	\$186,187
	2004	0.0976	\$204,359
	**** 2005	0.0444	\$213,432
	2006	0.0444	\$222,909
	2007	0.0444	\$232,806
	2008	0.0444	\$243,143
	2009	0.0444	\$253,938
	2010	0.0444	\$265,213
Updated Surety Amount Rounded (2010-\$)			\$265,200

** Average cost per acre = 6652 (\$/ACRE)

*** A 10% reclamation supervision cost added to original bond calculation.

**** A cost of \$2000 mobilization/demobilization of equip added to surety estimate.